



Deval Patrick
Governor



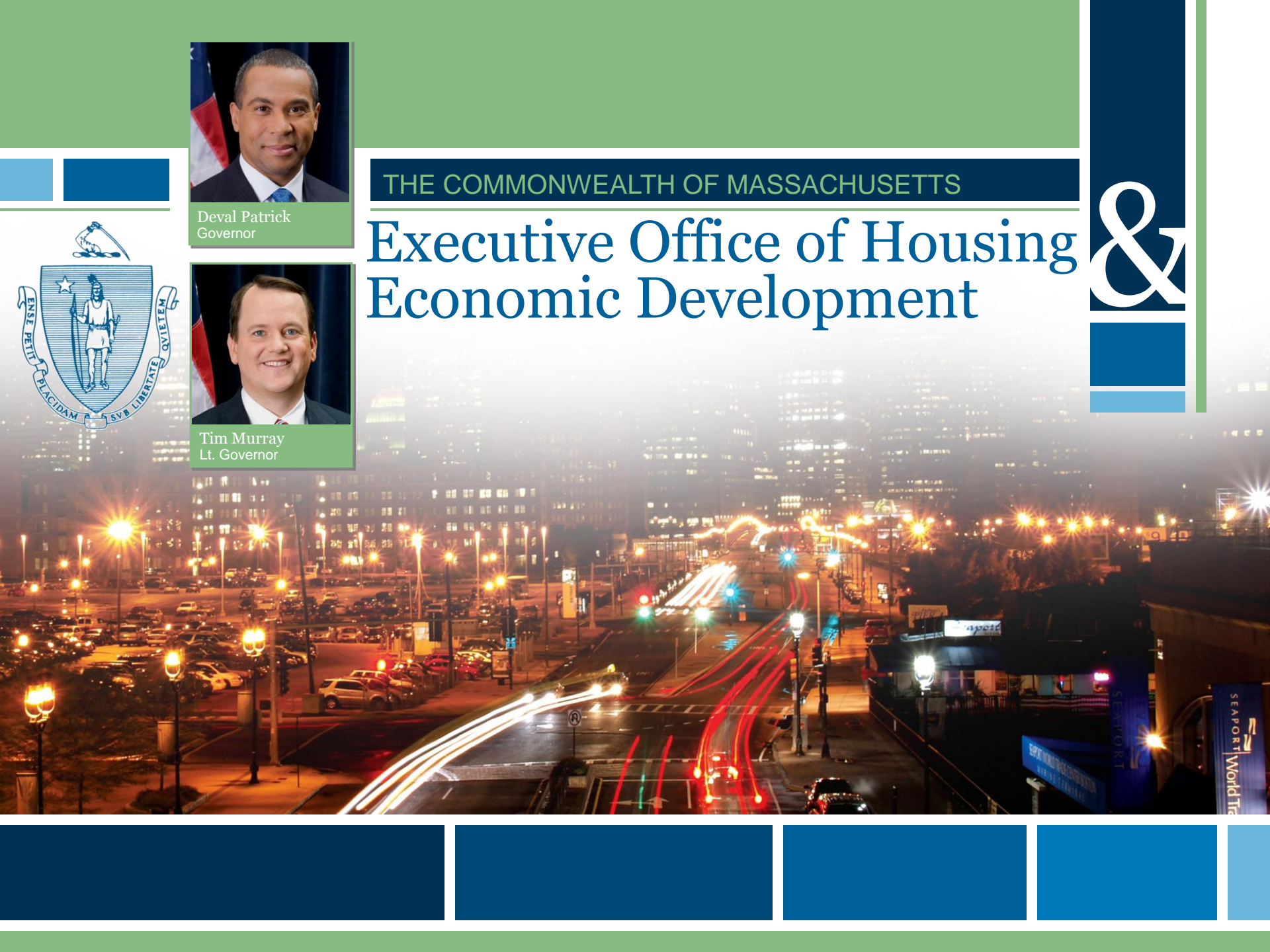
Tim Murray
Lt. Governor



THE COMMONWEALTH OF MASSACHUSETTS

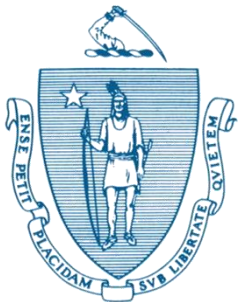
Executive Office of Housing Economic Development

&



Executive Office of Housing & Economic Development

Report card for
January – March 2009



Gregory Bialecki
SECRETARY



Table of Contents

E.O.H.E.D QUARTERLY HIGHLIGHT

4

Report Card By Division

PERMITTING

12

BUSINESS DEVELOPMENT

20

Business Development Domestic Operations (p.21)

Business Development International Operations (p.24)

Business Development Small Business Operations (p.27)

Business Development Travel and Tourism Operations (p.32)

HOUSING AND COMMUNITY DEVELOPMENT

35

Community Assistance (p.36)

Homelessness (p.40)

Housing Development (p.47)

Public Housing (p.51)

Rental Assistance (p. 57)

CONSUMER AFFAIRS AND BUSINESS REGULATIONS

60

Division of Insurance (p.61)

Division of Banks (p.63)

Division of Standards (p.65)

Division of Professional Licensure (p.66)

State Racing Commission (p.67)

Department of Telecommunications and Cable (p.68)

Consumer Hotline Services (p.69)

OCA Consumer Dispute Resolution Services (p.70)

Outreach and Education (p.72)



Executive Office
of Housing
&
Economic
Development

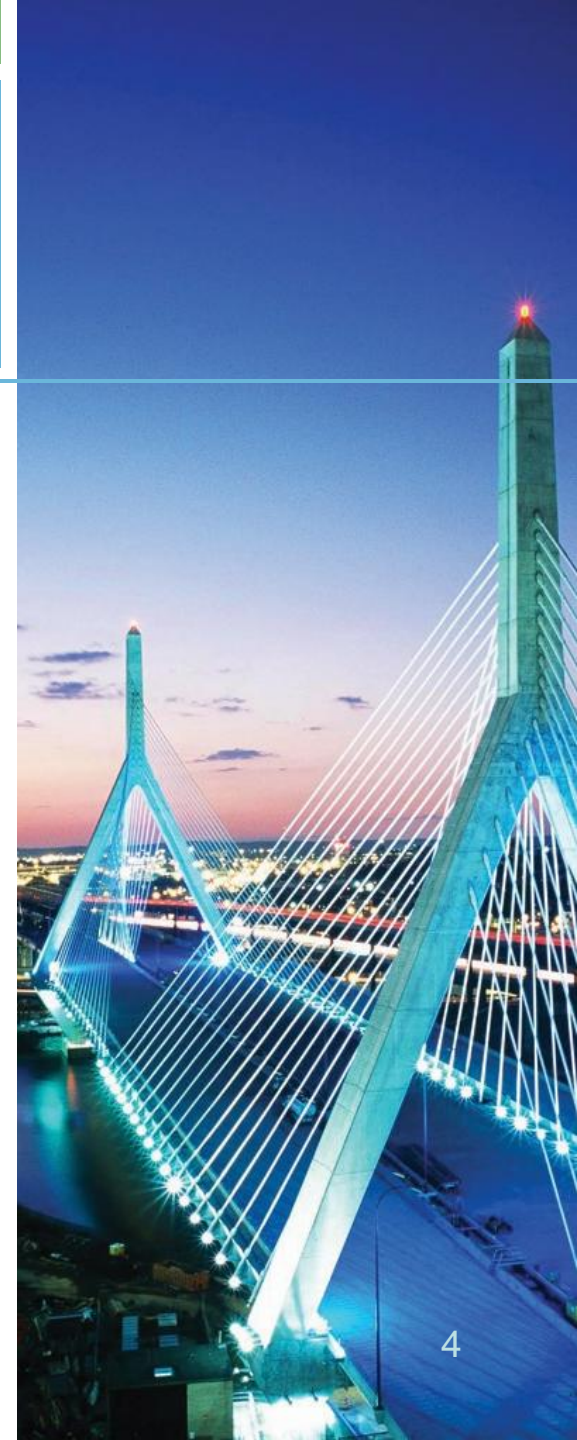
E.O.H.E.D

QUARTERLY HIGHLIGHTS

Employment Highlights

Massachusetts' economy continues to be affected by the national and global economic downturn. The Massachusetts unemployment rate rose from 6.9 percent in December 2008 to 7.8 percent in March 2009. The state's unemployment rate in March remained lower than the national unemployment rate , which was 8.5 percent.

Massachusetts lost 20,200 jobs in March 2009 and a total of 105,700 jobs over the past twelve months. The steepest jobs losses have occurred in Trade, Transportation and Utilities (which includes retail stores), Construction and Manufacturing. Job losses for the first quarter of 2009 were broad-based and included the state's technology and leading export industries. The two employment bright spots are the state's Healthcare and Education sectors, which have increased employment over the past twelve months.



E.O.H.E.D QUARTERLY HIGHLIGHTS



Governor Patrick and Lieutenant Governor Murray have led the effort of every secretariat, including EOHEd, to organize to effectively respond to the everyday needs of businesses, families and individuals during this economic downturn. In times like these the mission of state government is clear: Secure our common economic future. At EOHEd, that means doing everything we can to create and sustain jobs and opportunities for Massachusetts people while working with businesses to regain their economic footing and move forward.

The Massachusetts Recovery Plan integrates state, federal and, where possible, private efforts, to deliver immediate relief by putting people to work today, invest in opportunities to position us for a better tomorrow, and reform the way government does business to prepare our Commonwealth for the ultimate revival of the global economy.

To learn more, please visit www.mass.gov/recovery.

E.O.H.E.D QUARTERLY HIGHLIGHTS



Regional Prosperity Framework for Action

In January 2009, EOHED released its secretariat-wide Framework for Action, designed to focus the efforts of public and private leaders at the state and local level to promote housing opportunities, high-quality job growth and sustainability in every region of Massachusetts. The Framework is an ongoing tool – a living document – that guides policy development, regional planning and local investments.

The Framework for Action identifies the core strengths of each region of the state and underscores Massachusetts' traditional competitive advantages: our skilled workforce, world-class capacity to develop new technologies and innovations, and our high quality of life. Every region of the state confronts challenges to maintain our quality of life and grow our competitiveness. The Framework for Action identifies the steps the Patrick-Murray Administration and its partners in state and local government, business and civic life are taking to build sustainable and shared prosperity in every region of the Massachusetts.

To learn more about the Framework for Action, visit www.mass.gov/eohed.

E.O.H.E.D QUARTERLY HIGHLIGHTS



Foreclosure Initiatives

Grant Awards

On February 13th, the Division of Banks awarded \$1,000,000 in grants to 22 non-profit organizations and collaboratives. The purpose of the funding was to continue the operations of 11 regional foreclosure education centers established last year, as well as fund foreclosure counseling and first-time home buyer counseling programs throughout the Commonwealth, particularly in those areas hardest hit by foreclosures.

Foreclosed Property Clearinghouse

CHAPA and Governor Patrick unveiled a first-in-the nation statewide clearinghouse program aimed at taking back foreclosed properties throughout the state. The program was designed by CHAPA in coordination with the Patrick-Murray Administration, a broad-based local advisory committee and the National Community Stabilization Trust and will seek to address the greatest challenge Massachusetts communities face—getting foreclosed properties revitalized, re-occupied and back on the tax rolls of municipalities. CHAPA will serve as a foreclosed properties clearinghouse connecting banks that own foreclosed properties with local organizations, which will purchase the properties and upgrade these homes for low and moderate income families.

E.O.H.E.D QUARTERLY HIGHLIGHTS



Broadband Initiative

On August 4, 2008, Governor Patrick signed the broadband bill into law. The new law will bridge the digital divide that persists predominantly in western Massachusetts by providing \$40 million in bonds from the newly-created Broadband Incentive Fund to construct fiber, wireless towers and other critical and long-lived broadband infrastructure. Targeted state investments will attract and complement private sector investment, making it more cost-effective for private providers to deliver solutions for customers in regions without broadband coverage.

Since January, the Massachusetts Broadband Institute (MBI) has continued to make considerable progress:

- On January 14, 2009, Governor Patrick appointed four individuals to the MBI board of directors, completing the 9-person MBI Board. As required by the Broadband Act, these individuals have knowledge and experience in one or more of the following areas: telecommunications, broadband infrastructure, public-private partnership development, and/or information technology.
- The MBI has been actively engaged, in close partnership with Governor Patrick and his Washington, DC office, to advance the broadband initiative via potential federal stimulus funding through the American Recovery and Reinvestment Act ("ARRA").
- In March 2009, the MBI hosted a stakeholder conference call to discuss how broadband provisions in the ARRA program specifically relate to Massachusetts. Over 80 people participated on the call.

E.O.H.E.D QUARTERLY HIGHLIGHTS



Gateway Plus Action Grant

At the end of 2008, the Department of Housing and Community Development, in response to Governor Patrick's directive to expand and focus support for the state's regional cities, awarded \$1.35M in Gateway Plus Action Grants to 18 cities across the Commonwealth. The grants support planning assistance to expand housing opportunities, build and strengthen civic engagement, and spur the revitalization of mixed-income neighborhoods to 18 cities: Chelsea, Chicopee, Fitchburg, Haverhill, Holyoke, Lawrence, Leominster, Lowell, Lynn, Methuen, New Bedford, Pittsfield, Revere, Salem, Springfield, Taunton, Westfield, and Worcester. Each municipality received up to \$75,000.

In the 3rd Quarter of FY2009, DHCD worked with the Gateway Cities to implement community engagement and neighborhood revitalization initiatives that are scheduled to be completed in August 2009. A second phase focused on aligning state resources to support plan implementation will begin in select cities during Fall 2009. This spring, DHCD convened a broad set of public and private stakeholders to begin to align resources and activities in support of the Gateway Cities.

E.O.H.E.D QUARTERLY HIGHLIGHTS



Public Housing Innovations to Revitalize Communities and Promote Sustainability

The Department of Housing and Community Development is a national leader in promoting sustainability in public housing and leveraging all available state, federal and private resources to promote housing options and life opportunities for residents across Massachusetts. Recent highlights include:

- Somerville Housing Authority's (SHA's) Capen Court development's ground-breaking. Capen Court is an unprecedented project that applies the mixed-finance strategy traditionally applied in private housing development to public housing. DHCD was able to advance a \$26 Million project with a \$6.5 Million investment of public housing modernization dollars.
- DHCD is currently piloting 3 energy-saving technologies designed by Massachusetts companies. DHCD's goal is to match the tremendous talent in green technology in Massachusetts with the needs of the state's public housing portfolio, the largest property management portfolio in New England. These partnerships offer great gains for everyone involved—housing authorities discover savings and extended life for building systems, and companies can field test their products on a large scale. Recently, DHCD has launched successful partnerships with Environmental Solar Systems of Methuen; Climate Energy, a Medfield-based company; and, Tecogen, a Waltham-based company.

E.O.H.E.D QUARTERLY HIGHLIGHTS



Growth District Initiative (GDI)

EOHED continued to advance the Governor's agenda to create new development ready districts, similar to Devens, in communities across the state. The GDI designation is a formal recognition that a municipality has advanced planning and development sufficiently to be considered primed for significant commercial residential or mixed-use development. In the third quarter of FY2009, Growth District infrastructure grants were awarded to the Hamilton Canal District in the City of Lowell and the City of Lawrence Canal District Revitalization Area and Growth District.

Information Technology Collaborative

In January 2009, Governor Patrick convened business and academic leaders from throughout Massachusetts who are leading the state's latest information technology revolution. Following that meeting, EOHED Secretary Bialecki joined with the Massachusetts Technology Collaborative's John Adams Innovation Institute and the state's digital innovation business and academic leaders to develop an agenda to encourage job growth and future discoveries in this key industry cluster.

PERMITTING



1 Ashburton Place, Suite 2101
Boston, MA 02108
617-788-3670
april.a.anderson@state.ma.us

April Anderson Lamoureux, Ombudsman

The Massachusetts Permit Regulatory Office, created by the legislature, works with new and existing businesses to help foster job creation efforts by assisting with permitting, licensing, and regulatory processes. The Director of the Office serves as the state permit ombudsman to municipalities and businesses, and Chair of the Interagency Permitting Board, which administers the Chapter 43D Expedited Permitting Program. The Office works in partnership with MassDevelopment, Regional Planning Agencies, and MassEcon to accomplish its core mission.

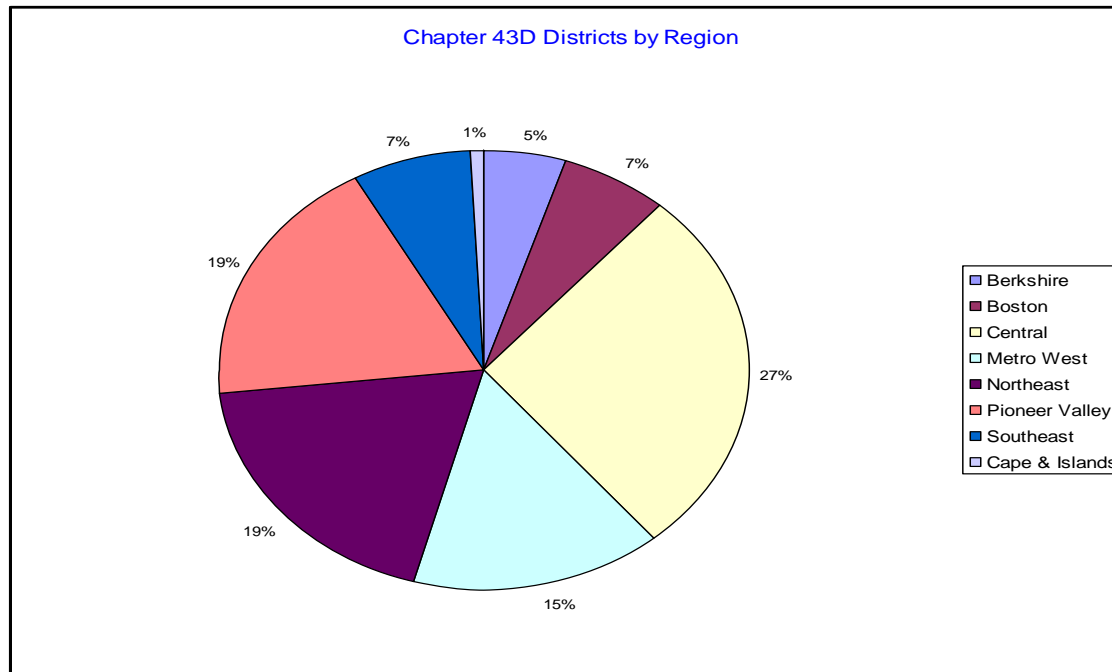


Massachusetts Permit Regulatory Office



Expedited Permitting Program - Chapter 43D As of March 31, 2009

- 72 communities across the state have adopted one or more Priority Development Sites
 - 6 new communities added this quarter
- 115 Priority Development Sites have been ratified by the Interagency Permitting Board
 - 10 new Priority Development Sites added this quarter
- In FY09, \$1,663,615 in Chapter 43D Technical Assistance Funds have been granted to municipalities
 - Since its inception in January 2007, MPRO has awarded \$ 6,934,957 to communities



Massachusetts Permit Regulatory Office



Expedited Permitting Program - Chapter 43D Comparison Chart

	FY08 Total	First Quarter FY09	Second Quarter FY09	Third Quarter FY09	Totals for Chapter 43D to Date FY07, FY08, and 1st three quarters FY09
Total Number of Communities That Have Adopted One or More Priority Development Sites	30	7	15	6	72
Total Number of Priority Development Sites Ratified by Interagency Permitting Board	49	16	20	10	115
Grant Funds Awarded	\$ 3,211,712	\$ 420,000	\$ 1,039,315	\$ 204,300	\$ 6,934,957

Massachusetts Permit Regulatory Office



State Permit Tracking

- MPRO instituted a state permit tracking system for commercial and housing projects entering the MEPA process (Massachusetts Environmental Policy Act), and results are published on the state web site. This is the first time that the Commonwealth has systematically monitored and publicly reported its permit issuance performance.
- The project tracking list consists of projects that filed an Environmental Notification Form (ENF) with MEPA beginning January 1, 2007. The list includes all commercial, industrial, and mixed use development projects, and housing projects developing more than 50 new units and with a density of at least 4 units per acre.
- The project tracking list has 123 projects meeting the above criteria. As of March 31, 2009, 60% of projects have completed state permitting within six months or less. This calculation excludes projects where proponents/developers have allowed more than 6 months to lapse before proceeding to the next state permitting action; or projects whose proponents/developers have not responded to inquiries or offers of assistance from MPRO.

Massachusetts Permit Regulatory Office



State Permit Tracking

	FY08 Total	First Quarter FY09	Second Quarter FY 09	Third Quarter FY 09
Total Number of Projects	101	16	12	9
Projects Permitted In Six Months or Less	46%	51%	58%	60%

Massachusetts Permit Regulatory Office



Key Points of Note this Quarter

Growth Districts: Governor Patrick launched the Growth Districts Initiative (GDI) in February 2008 as a focused means of expediting commercial & residential development.



EOHED will partner with municipalities that have identified one or more areas within their communities as being appropriate locations for significant new growth, whether commercial, residential or mixed-use. Within those identified “growth districts”, EOHED will work with the community and property owners to make the district truly “development ready” with respect to local permitting, state permitting, site preparation (including brownfields remediation), infrastructure improvements, and marketing.

What constitutes significant new growth will vary among communities and regions, but in all cases the community must be committed to planning ahead not just for identified new construction that is ready to break ground in the short term, but more broadly for future development within the growth district over an extended period (five, ten or twenty years).

Eighteen locations representing all regions across the state have been designated as Growth Districts, and new announcements will be made periodically.

The following chart represents the amount of development, private investment, job creation, & housing creation that will result from the announced Growth Districts.

Massachusetts Permit Regulatory Office



Municipality	Location	Designated as Growth District	Anticipated Number of Housing Units	Housing Units Created since 1/1/07	Anticipated Square Footage of Commercial Space	Square Ft of Commercial Space Created since 1/1/07	Land Area by Acre	Amount of Private Investment since 1/1/07	FTE Jobs Created since 1/1/07	Construction Jobs Created since 1/1/07
Worcester	Innovation Square	Feb. 26, 2008	350	0	1,000,000	225,000	82	\$87,000,000	350	0
Haverhill	Downtown Haverhill Smart Growth District	April 9, 2008	500 to 600	405	200,000	10,000	53	\$70,000,000	25	200
Chicopee	Chicopee River Business Park	April 12, 2008	0	0	382,500	0	195	\$10,000,000	80	
Ayer, Shirley, Harvard	Devens	April 16, 2008	464	0	8,500,000	88,000	4,000	\$979,000,000	953	6,131
Weymouth	SouthField	April 24, 2008	2,855	0	2,000,000	0	1,386	\$70,400,000	0	0
Attleboro	Industrial Business Park	May 8, 2008	0	0	805,000	0	190	\$8,100,000	0	0
New Bedford	Hicks Logan Sawyer District	May 8, 2008	250	287	2,250,000	47,000	95	\$64,500,000	80	545
Pittsfield	Downtown Pittsfield Urban Center	May 8, 2008	330	51	350,000	0	1,260	\$0	0	0
Revere	Waterfront Square at Revere Beach	May 20, 2008	902	0	470,294	0	18	\$2,700,000	0	0
Springfield	Main Street and State Street Corridors	July 7, 2008	394	0	1,073,000	0	1,033	\$0	0	0
Lowell	Hamilton Canal	Sept. 3, 2008	700	0	450,000	0	17	\$0	0	0
Burlington	Northwest Park	Nov. 12, 2008	300	0	4,200,000	2,700,000	285	\$350,000,000	5,500	200
Plymouth	The Seaport at Cordage	Nov. 17, 2008	675	0	1,450,000	350,000	55	\$19,000,000	1,300	100
Foxborough	Economic Development Overlay District	Nov. 20, 2008	0	0	1,650,000	1,300,000	500	\$1,000,000,000	3,500	9,000
Somerville	Assembly on the Mystic	Dec. 1, 2008	2,100	0	2,900,800	329,000	67	\$157,000,000	630	30
Lynn	Waterfront Growth District	Dec. 23, 2008	3,100	0	2,100,414		300	\$800,000	0	0
Lawrence	Downtown Revitalization District	Mar. 19, 2009	1,500	0	4,250,000	1,820	485	\$0	0	0
Fall River	Fall River Executive Park	April 3, 2009	0	0	3,000,000	0	300	\$275,000,000	0	0
		Total	12,756 to 14056	743	40,731,594	5,050,820	10,320	\$3,093,500,000	12,418	16,206

Massachusetts Permit Regulatory Office



Key Points of Note this Quarter

Zoning Reform: MPRO has convened a Zoning Reform Task Force to examine the current zoning and planning system in the State and to work with the Legislature to develop amendments that would improve zoning and planning in Massachusetts.

- The Task Force represents a broad base of constituencies and meets twice-monthly.
- Based on Task Force discussions, zoning reform legislation was drafted that created a proposed two-tier system of benefits and responsibilities for cities and towns.
- Based on that draft, Zoning Reform legislation was filed during this quarter. The proposed legislation has been assigned to the Senate Committee on Municipalities and Regional Government and to the House Committee on Housing.

Regional Planning: MPRO is continuing the regional planning process of working with multiple neighboring municipalities on shared objectives.

- Coordinating among five communities along the newly expanded Route 3 (Burlington, Bedford, Billerica, Chelmsford, and Lowell) to investigate regional infrastructure shortfalls, desired growth patterns, and branding of a new technology corridor.
- Coordinating with the Cities of Leominster, Fitchburg and Gardner, and the surrounding communities in addressing the opportunities and challenges of maintaining a robust manufacturing sector in this region.

DEPARTMENT OF BUSINESS DEVELOPMENT

Vacant, Undersecretary

The mission of the Massachusetts Department of Business Development (DBD) is to promote economic growth by assisting in-state, out-of-state, and international businesses of all sizes in creating new jobs and expanding their presence in Massachusetts; to make it easier for minority and women owned businesses to succeed, and to increase the number of domestic and international tourists visiting the Commonwealth.

1 Ashburton Place, Suite 2101
Boston, MA 02108
617-788-3610



Business Development - Domestic Operations



The Massachusetts Business Resource Team (BRT), which is coordinated by MOBD, acts as a single point of contact for all of the resources and incentives available to businesses. Through the BRT, firms can engage over 30 state and quasi-public organizations offering:

- Site selection assistance
- Workforce training grants
- Tax incentives and financing options

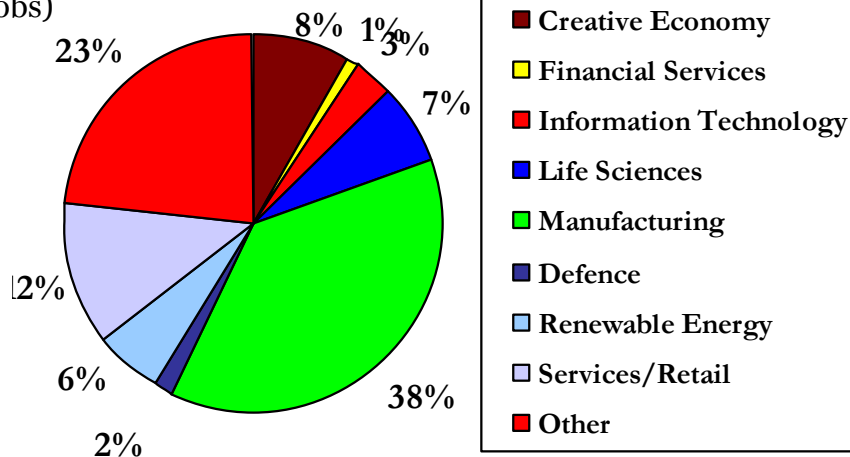
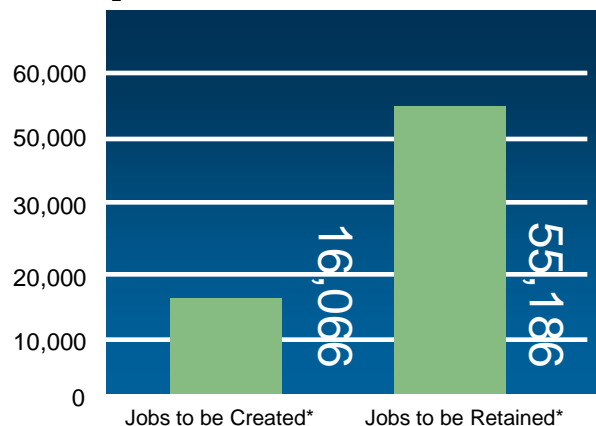
Business Development - Domestic Operations



Closed Deals

	FY09 Q1 July-September '08	FY09 Q2 October-December '08	FY09 Q3 January – March '09
Jobs to be Created*	2,151	1,012	1,473
Jobs to be Retained*	7,076	6,395	2,999
Private Investment*	\$87,460,000	\$292,961,821	\$514,772,204
Total Project Wins	32	41	63
MOBD Sales Force Economic Multiplier**	133:1	337:1	620:1

Jobs Pipeline Sector Breakdown (71,252 Jobs)



*As estimated by firms

**Economic Multiplier based upon expenditures of \$651,812 (FY09 Q1), \$866,588 (FY09 Q2), and \$829,469 (FY09 Q3).

Formula=(benefits-costs)/costs

Business Development - Domestic Operations



Key Points of Note this Quarter

Sepracor

Sepracor is a leading, fully integrated pharmaceutical company which focuses on medicine for respiratory and central nervous system disorders. Sepracor purchased a 57 acre site, containing a 192,000sf lab building in Marlborough in 2001. Since that time, Sepracor has continued to make investments at the site, expanding to include a 143,000 building, currently under construction and an additional 97,000sf building planned for completion in 2013. Sepracor expects to invest \$51 million through the life of these expansions and will create 250 new jobs. Commonwealth.

New Balance Athletic Shoe Company, Inc.

New Balance Athletic Shoe Company, Inc., is a privately held corporation that designs, manufactures and sells a complete range of athletic footwear. The company employs over 2,300 people in the United States and produces approximately 6.3 million pairs of shoes in the United States. New Balance plans to expand in Lawrence and will build a state of the art 3,300 sf sports lab and a 5,400sf office area to support its research. This project has a proposes job creation of 25 new jobs and \$2,150,000 Private Investment.

Symmetry Medical, Inc.

Symmetry Medical, a NYSE Medical Device Company based in Indiana, purchased DePuy Johnson equipment in New Bedford Business Park on January 25, 2008 for \$45 million. The company proposes to create 50 new full time jobs while retaining 220 full time jobs. Symmetry Medical will commit approximately \$10 million of Private Investment to this project.

Business Development - International Operations



The Massachusetts Office of International Trade and Investment (MOITI) is charged with marketing the state's businesses internationally, through focused export promotion, attracting foreign companies to invest in Massachusetts and handling protocol as it relates to trade and investment. MOITI has continued to attract foreign direct investment (FDI) and has increased its tradeshow presence, which has allowed for more local firms to expand their global exposure.

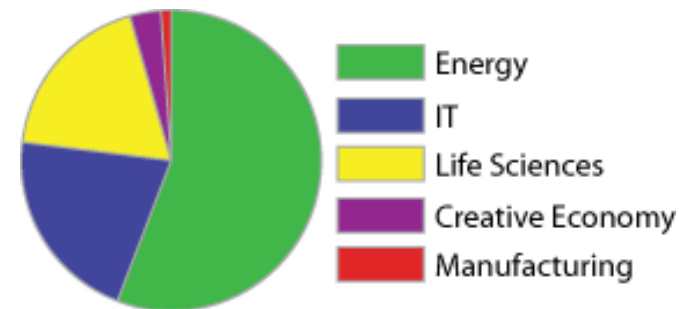
Business Development - International Operations



(≥50% Probability)
Jobs Pipeline

	Jobs to be Created*	FDI to Occur*	# of projects
Asia	296	\$288.75 million	8
Europe	137	\$20.3 million	22
Oceania	2	\$0.5 million	1
Americas	5	\$0.2 million	2
Total Pipeline	483	\$306.85 million	33

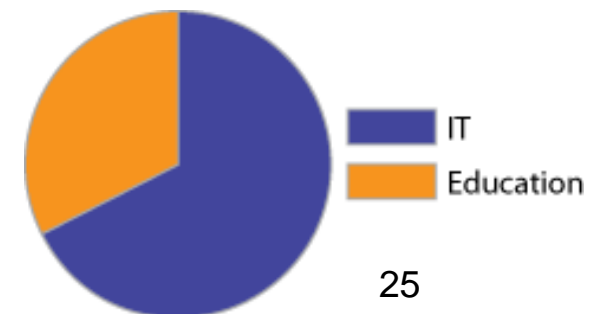
Pipeline Jobs:
Sector Breakdown (483 Jobs)



Closed Deals: Wins

	FY09 Q1	FY09 Q2	FY09 Q3
Jobs to be created*	30	23	62
Private Investment*	\$2 million	\$4 million	\$13 million
Total Project Wins	1	6	4
Economic Multiplier**	11.8:1	24.6:1	82.2:1

Closed Deals Jobs:
Sector Breakdown (62 Jobs)



* As estimated by firms

** Economic Multiplier based upon expenditures of \$156,250 for FY09 Q1, Q2, & Q3. Formula=(benefits-costs)/costs

Business Development - International Operations



Key Points of Note this Quarter

Foreign Direct Investment: The China Education and Research Network (CERNET) opened their first overseas facility in Marlborough. This \$10 million dollar investment is the result of the strong relationship between Tsinghua University, MOITI and UMass. Once fully operational, the facility will be staffed by up to 100 people.

Trade Shows: Two Massachusetts companies participated in the MOITI hosted Massachusetts Pavilion at the largest healthcare exhibition in the Middle East, Arab Health, giving them the opportunity to showcase their products and services in one of the fast growing and most lucrative healthcare markets in the world.

Protocol: In March, MOITI signed a Memorandum of Understanding with Quebec's Ministry of Economic Development, Innovation, and Exportation. The MOU focuses on life science research and will create a task force to further cooperation.

Leadership: Ted Carr assumed his new position as Executive Director of MOITI at the recommendation of Secretary Bialecki and approval of the Board of Directors. Carr comes from 15 years of economic development and international trade related experience. He was appointed by President Clinton in 1993 to various positions within the federal government working for the White House, U.S. Department of Commerce, and the U.S. Department of Housing and Urban Development. Most recently, Carr served as the Chief of Staff for EOHED.

Business Development - Small Business Operations



The Office of Small Business and Entrepreneurship (OSBE) administers the Small Business Technical Assistance Grant (SBTAG) Program to provide grants to community development corporations, community development financial institutions and non-profit community-based organizations in order to provide technical assistance or training programs to businesses with 20 employees or fewer.

In partnership with the U.S. Small Business Administration, the Department of Business Development, and a consortium of higher educational institutions led by the University of Massachusetts Amherst, the Massachusetts Small Business Development Center (SBDC) provides statewide in-depth advising, training and capital access contributing to the entrepreneurial growth of small businesses throughout the Commonwealth.

The State Office of Minority and Women Business Assistance (SOMWBA) is charged with promoting the development of business enterprises and non-profit organizations owned or operated by minorities and women.

Business Development - Small Business Operations



State Office of Minority & Women Business Assistance

	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	CY08 Jan-Dec
New State Certifications	69	96	269
New Federal Certifications	23	28	93
Total Renewals Processed	364	368	1,612
% of Certifications Completed Within 30 Days	47.8%	44.2%	44.5%

Business Development - Small Business Operations



Small Business Technical Assistance Grant Program

	FY09 Q1** July-Sept	FY09 Q2** Oct-Dec	FY09 Q3*** Jan-Mar
# of Companies 1:1 counseled*	N/A	N/A	485
\$ Amt Loans Secured*	N/A	N/A	\$3,256,228
Jobs to be Created w/ loans*	N/A	N/A	149.5
Jobs to be Retained w/ loans*	N/A	N/A	248.25
\$ Amt of State Grants Awarded	N/A	N/A	\$1,000,000****
ROI – Grant Award vs. Loans Secured	N/A	N/A	1:3.2

*Self-reported by grant recipients

**There were no grants awarded in both FY09 Q1 and FY09 Q2; funds were disbursed in FY09 Q3

***Quarter 3 not fully reflective of TA results as all reports have not yet been collected.

****\$500,000 was disbursed in FY09 Q3

Business Development - Small Business Operations



Massachusetts Small Business Development Center Network

Small Business Development Centers (6 Centers + 41 Outreach Sites)	FY09 Q1 July-September	FY09 Q2 October-November *	CY08 Total
Number of Companies 1:1 Counseled	1,137	615	3,763
New Businesses Started	35	28	193
Amount of Loans Secured	\$2.5 million	\$5.6 million	\$85.7 million
Jobs to be Created w/loans	33	79	582
Jobs to be Retained w/loans	42	47	640
State Appropriation	\$81,020	\$90,651	\$904,286
ROI - \$ Loans Secured vs. \$ Appropriated	3.2:1	6.2:1	94.8:1

Note: Because of federal reporting deadlines, MSBDC figures through December 2008 are not yet complete. Loans and job creation and retention figures are certified by companies. Figures reflect activity through 11/30/08.

*This figure represents actual expenditures through 11/30/08.

Business Development - Small Business Operations and Minority & Women Owned Enterprises



Key Points of Note this Quarter

- OSBE awarded \$1 million in technical assistance grants to 25 organizations throughout the state that provide one-on-one consultation, training and ongoing workshops to support small business creation and expansion in the state. They will assist businesses with business plan development and implementation, improving financial literacy and accessing capital, operating a business during an economic slowdown, and using technology to improve operations.
- OSBE has held thirteen small business town hall type forums around the Commonwealth with various economic development partners. On average more than 20 business owners/operators attend the meetings and have discussed the challenges and opportunities they face including: accessing capital, healthcare affordability and state regulations impacting small businesses.
- At SOMWBA, the agency continues to align public and private sector partners to increase the economic value of certification. It has successfully developed partnerships with private sector firms to advance business opportunities for minority and women owned enterprises.
- The Massachusetts SBDC has realigned the 6 business advisory centers across the state to mirror the economic development regions designated by the Department of Business Development. This has allowed for closer coordination and collaboration of resources to the business community.

Business Development - Travel & Tourism Operations



The Massachusetts Office of Travel and Tourism (MOTT) is charged with promoting the Commonwealth's friendly, family-oriented environment set in the midst of a rich historical and cultural tradition. Tourism ranks as one of our largest economic sectors, contributing direct spending of \$15.1 billion and supporting over 127,800 jobs.

In recent years, MOTT's available funds for advertising, provided by the Legislature, have been steadily increasing, as have the returns on those advertising dollars. With its continued increase in funding, we expect MOTT's advertising expenditures to assist in expanding the tourism industry throughout the Commonwealth.

Business Development - Travel & Tourism Operations



	FY2009 July-December	FY2009 January-March	CY2008 Jan-Dec
Room Tax Collections	\$104.1 million	\$22.7 million	\$171.8 million
Lodging Room Revenue	\$1333.7 million	\$343.1 million	\$2,448.3 million
Room Demand (booked)	9.3 million	3.0 million	17.4 million
Average Room Rate	\$140.99	\$115.69	\$138.48
Occupancy Rate	64.1%	44.0%	61.6%
REVPAR	\$91.90	\$50.89	\$86.76
Massvacation.com visitors	402,542	193,442	1,007,325

REVPAR (Hotel REVENUE Per Available Room) and Average Room Rate are not directly impacted by government, but provide useful guidance for the health of the industry.

Business Development - Travel & Tourism Operations



•Key Points for FY2009 YTD (July – March) and CY2009 (January – March)

MOTT's metrics reflect the seasonality of tourism. The current global economic downturn has had a negative impact on travel.

Some highlights from FY09 and CY09 through March, 2009 compared to the same period in prior year:

- FY2009 Room Tax Collections down 4.8%
- CY2009 Room Revenue down 17.3%
- CY2009 Room Demand down 10.4%
- CY2009 Room Rate down 7.7%
- CY2009 Occupancy Rate down 11.7%
- CY2009 RevPar down 18.5%

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



Tina Brooks, Undersecretary

100 Cambridge St.
Suite 300
Boston, MA 02114
617-573-1100
tina.brooks@state.ma.us

The mission of DHCD is to strengthen cities, towns and neighborhoods to enhance the quality of life of Massachusetts residents. To accomplish our mission, we will provide leadership, professional assistance and financial resources to promote safe, decent and affordable housing opportunities, the economic vitality of communities, and sound municipal management. We will forge partnerships with regional and local governments, public agencies, community-based organizations and the business community to achieve our common goals and objectives. In all of these efforts, we will recognize and respect the diverse needs, circumstances and characteristics of individuals and communities.



Community Assistance



The Community Assistance Unit was created to renew and strengthen the Patrick Administration's partnership with municipalities by providing a wide range of technical assistance and training to communities in the areas of municipal governance, planning, land use and zoning, and community development.

This assistance will result in an increase in the Commonwealth's affordable housing stock, the adoption of smart growth initiatives, and downtown and city/town center revitalization.

Technical assistance and training includes one-on-one staff assistance, professional and peer consultants, written materials, desktop assistance, and formal presentations (e.g., PowerPoint).

Workshops include topics such as 40B and planning for affordable housing; land use and zoning (in conjunction with the Citizen Planners Training Collaborative); the economics of downtowns; recruitment and retention of businesses; design, promotion and marketing; parking; and Business Improvement Districts (through DHCD's Massachusetts Downtown Initiative).

Community Assistance



Community Assistance by the Numbers

Description	FY09 Q1 July-Sept	FY 09 Q2 Oct-Dec	FY 09 Q3 Jan-Mar	CY08 Jan-Dec
Number of Communities Provided Training and Assistance	155	237	213	764
Number of Workshops Held	4	30	5	43
Number of Communities that have increased their affordable housing stock (as measured by the Subsidized Housing Inventory)	15	0 ¹	0 ¹	59
Number of Communities with approved Housing Production Plans	0	1	2	2
Number of Communities awarded Priority Development Fund grants	0	2	4	2

¹ The Subsidized Housing Inventory (SHI) has not been updated since 9/9/08 due to the ongoing biennial SHI update.

Community Assistance



Smart Growth/40R Related Projects by the Numbers

Description	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan-Dec
Number of Communities that have locally adopted 40R Districts	2	1	0	8
Number of Communities with proposed 40R Districts	0	0	5	5
Number of new housing units authorized in 40R Districts	546	167	0	2,898
Number of housing units issued building permits	0	0	0	305

DHCD only receives building permit information in conjunction with requests for bonus payments or as part of annual 40R reporting requirements. As such, depending on the time of year, building permit information provided in this report may not fully reflect all 40R permits that have been issued.

Community Assistance



■Key Points of Note this Quarter

To further the goals of DHCD's Gateway Plus Cities Initiative, the CAU initiated dialogue among institutional partners (government and nongovernment) to facilitate collaboration of efforts and to build/enhance civic engagement in Gateway Plus Cities. The CAU also compiled a list of shovel-ready projects in these cities.

The CAU identified new partners, audiences, topics, and venues for its technical assistance and training. The *Affirmative Fair Marketing and Conducting Lotteries for Affordable Developments* workshop attracted 55 participants including lottery agents, local officials, developers, and consultants. The *State Resources for Downtown Commercial and Mixed Use Development* workshop had 75 attendees from 35 communities and two Regional Planning Agencies. The Bureau of Relocation presented MA best practices at a Land Acquisition training sponsored by the Federal Highway Administration and the New York State Department of Transportation.

This quarter, the CAU provided a variety of training opportunities. The Citizen Planner Training Collaborative held its 8th Annual Conference which featured 16 workshops, and had 265 participants from 94 communities and 5 Regional Planning Agencies. CAU staff participated on a panel on Business Improvement Districts. The CAU managed the joint DHCD/MOBD booth at the Massachusetts Municipal Association's 2009 Annual Meeting and Trade Show at the Hynes Convention Center and organized/conducted two workshops, *Housing Production Plans* and *Organizing for Your Development Future* and participated in a panel discussion on Regionalization of Services. Staff also made 40R presentations in the Towns of Bolton and Northbridge.

During the third quarter of FY09, DHCD issued a 40R Incentive Payment to the Town of Easton and received applications for 5 new 40R District proposals from the communities of Marblehead (2 Districts), Easthampton, Georgetown and Foxborough

Homelessness



The Commonwealth's approach to reducing homelessness is designed as a continuum of services provided through a partnership of DHCD and the Executive Office of Health and Human Services (EOHHS). DHCD works to ensure that a network of services leading to greater self-sufficiency and continuum of housing opportunities are in place for those presently homeless or at risk for becoming homeless.

The Interagency Council on Housing and Homelessness, chaired by Lieutenant Governor Tim Murray, coordinates housing policy among different agencies. The ICHH is spearheading a drive to change the Commonwealth's homelessness policy by focusing on prevention, coordination between agencies so that there is no "wrong door" to access homelessness prevention resources, and a "housing first" philosophy that aims to put people into homes quickly and provide them the services they need to remain housed.

Homelessness



Success of Families and Individuals in Asset-Building Programs: Homeownership and Asset Growth

Description	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan-Dec
Family Self Sufficiency (FSS)	629	621	640	607*
Individual Development Account (IDA): total number enrolled	250	399	721	1,234
IDA: number enrolled that currently reside in state subsidized housing	33	84	107	233

*Average number for all CY08 quarter point-in-time counts

Homelessness



Number of Families/Individuals in Asset Building Programs

Description	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan-Dec
Families/Individuals in FSS Program that purchase first home	0	2	1	6
Average Escrow Payout for FSS graduates	\$11,058	\$8,942*	\$10,384	\$10,537
Families/Individuals in IDA Program that purchase first home	12	6	2	27
Families/Individuals in IDA Program that transition from state subsidized housing and purchase first home	2	4	1	10

* Represents a total of \$116,252 divided by 13 payments made in FY09 Q2.

Homelessness



Number of Families/Individuals who received assistance through prevention programs and special initiatives

Description	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan-Dec
Housing Consumer Education Centers (HCEC)	5,250	6,995 ¹	7,432 ²	29,226
Tenancy Preservation Program (TPP)	94	109	87	385
Residential Assistance for Families in Transition (RAFT)	n/a ³	865	697	933 ³
Residential Assistance for Families in Transition (RAFT): Number of Homeless Families Served ⁴	n/a ³	84	107	89 ³
Low Income Home Energy Assistance Program (LIHEAP): Number of households that received assistance	0	50,208	85,846	143,977
Massachusetts Rental Voucher Program (MRVP): Mobile Special Populations	532 ⁴	525 ⁵	537 ⁶	n/a
Massachusetts Rental Voucher Program (MRVP): Project Based Special Populations	50 ⁴	89 ⁵	73 ⁶	n/a

¹In addition, 1,553 households received assistance for foreclosure prevention this quarter.

²In addition, 1,438 households received assistance for foreclosure prevention this quarter.

³Program opened 9/1/08.

⁴As of 9/1/08

⁵As of 12/1/08

⁶As of 3/1/09

Homelessness



Number of Families/Individuals who received permanent housing through specialized housing programs initiatives

Description	FY09 Q1 July – Sept.	FY09 Q2 Oct.--Dec.	FY09 Q3 Jan – Mar	CY08 Jan. – Dec.
Local Housing Authority Transitional Housing Program (LHATHP)	23	22	20	97
Housing First Program	8	13	15	44
McKinney Shelter Plus Care (Total Allocation: 255)	293	292	296	298 ¹
McKinney Homeless SRO (Total Allocation: 172)	150	155	153	n/a ²

¹Shelter Plus Care has a baseline of 255 and can fluctuate at various levels of use above 255.

²This is a “point in time” number that does not experience significant change month to month, so a “cumulative yearly number” is not applicable. To date, DHCD has used 90% of total McKinney Homeless SRO FY09 allocation.

Homelessness



Key Points of Note this Quarter

Throughout this quarter, the ICHH, DHCD, and the Department of Transitional Assistance worked together to reorganize the Massachusetts system for attacking homelessness. The Governor has now released a plan that will merge the emergency shelter system with DHCD's housing programs. This change will help connect the homeless and those at risk of homelessness with a multitude of housing information and resources.

The ICHH announced the awarding of funds to eight regional networks of public and non-profit stakeholders that will pilot new innovations to end homelessness in eight different regions of the state. These networks will help ensure that resources are flexible and properly targeted, and that people in all parts of Massachusetts will have access to the tools they need to avoid homelessness.

Homelessness



Key Points of Note this Quarter (continued)

Massachusetts received a total of \$224,196,440 (includes a \$10,000,000 state line item allocation) for FY2009 LIHEAP, a 58% increase from the previous fiscal year. DHCD obligated \$10,000,000 from FY2009 LIHEAP for Heating Emergency Assistance Retrofit Task Weatherization Assistance Program (HEARTWAP). HEARTWAP provides heating system repair and replacement services to low income households. Additionally, \$700,000 has been set aside in program support for activities which include budget counseling, arrearage management, advocacy, and referral.

Given the increase in LIHEAP funds, for FY2009, LIHEAP and HEARTWAP income eligibility limits were increased to include households with gross annual incomes of up to 60% of estimated Massachusetts Median Income. That translates to up to \$53,608 per year for a household of four. The maximum benefit for FY2009 is \$1,305.

With the increase to the income eligibility limits from 200% of the federal poverty level to 60% of the estimated Massachusetts Median Income, agencies have experienced a 19% increase in the total number of applications received from the same period last year.

Housing Development



The Division of Housing Development manages the state resources available to support the production and preservation of privately-owned affordable housing. The key resources are the federal and state Low-Income Housing Tax Credit, tax-exempt bonds, the federal HOME program, and multiple state bond programs in support of rental and ownership projects. The division's resources are substantial. In 2009, the division will oversee the allocation of federal and state credits capable of generating almost \$250 million in equity for affordable rental projects in the capital markets. In addition, the division will oversee the allocation of over \$90 million in subsidy funds available through HOME and the state bond programs in support of affordable rental and ownership projects.

Although the resources are substantial, demand always exceeds the available supply of funds. The division's annual funding competitions – two for rental projects, one for ownership – are always oversubscribed, with demand often exceeding available funds by a factor of 3 to 1. In a given year, the division supports the production or preservation of 2000 to 2500 rental and ownership units in privately-owned projects. Current priorities include greater and greater emphasis on “green” development, on projects located near transit, and on projects that provide a significant set-aside of units for homeless families or individuals. The production of workforce housing – housing for families earning between 80% and 120% of area median income – is also a priority. Working directly with the Undersecretary, the division also is promoting employer-assisted housing in key regions of the state, including Cape Cod, the Springfield metropolitan area, and Boston metro.

Housing Development



Housing Development by the Numbers

Description	FY09 Q1 July-Sept.	FY09 Q2 Oct.-Dec.	FY09 Q3 Jan.-Feb.	CY08 Jan.-Dec.
Number of New Housing Starts, increase in overall housing stock	1,846	1,324	1,323	9,241

The number of new housing starts is defined as the number of new building permits issued.

This information is only available through 2/28/09, so the number for Q3 does not represent a whole quarter.

Housing Development



Housing Development in Detail

Description	Number Produced				Number Preserved			
	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan-Dec	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan-Dec
Workforce Housing Units	7	4	0	162	0	0	0	0
Employer Assisted Housing Units	1	0	0	3	2	0	0	2
Special Needs Rental Units	59	70	58	544	26	0	20	52
Other Needs ownership Units	4	0	0	27	0	0	0	0
Other Low-Mod Housing Rental Units	142	253	1284	1372	26	651	932	695
Other Low-Mod Housing Ownership Units	58	3	3	141	4	0	24	4

Housing Development



Key Points of Note this Quarter

Through annual funding competitions for rental development, the Department of Housing and Community Development provides low-income housing tax credits, HOME funds, and state bond funds from six programs to support the development or preservation of rental housing with affordable components. DHCD has just announced the first rental award recipients for 2009 - 39 projects located in 25 communities representing 2,255 affordable units. Over 350 units will be targeted to individuals and households earning less than 30% of Area Median Income, many of whom will be making a transition from homelessness. A second rental funding competition will begin in June 2009.

Public Housing



Public housing provides a safe, secure home for more than 100,000 of the Commonwealth's residents. Residents pay ~30% of their income for rent; the government makes up the difference between rent collected and the cost of operating the housing. Public housing is administered through 242 local housing authorities (LHAs) whose knowledge of and relationship to their local communities assures that the resource is used in a locally-appropriate way.

In Massachusetts, not only do our LHAs administer federally-supported public housing, they provide 50,000 units of state-aided housing. Massachusetts is one of only four states in the nation to have its own public housing. Much of this housing is in a state of extreme disrepair due to past investment decisions. We have launched a serious effort to bring all the units back to a sustainable, maintainable level through direct capital investments and management initiatives.

Public Housing



Public Housing By the Numbers

Description	Family				Elderly			
	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan.-Dec.	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan-Dec.
Public Housing Units Under Restoration*	1,360	4,427	1,259	8,458	1,405	1,842	538	5,270
LHA Initiative Projects Underway*	8	4	2	52	7	10	1	81

*The number of units under restoration varies per quarter as the type and location of projects varies. The LHA Initiative projects will increase as DHCD announces and publicizes new initiatives. Part of the overall increase is due to the Governor's steadfastness in raising the bond cap for public housing. This quarter, the number is lower in part because this measure only counts new projects, and the project pipeline is so full of ongoing jobs that there is less potential to start new jobs within the confines of the Bond Cap.

Public Housing Units Under Restoration: The total number of units in the developments where construction work is actually underway.

Local Initiative Projects: The number of construction funded under special initiatives for local housing authorities.

Public Housing



Public Housing By the Numbers

Description	Local Housing Authorities			
	FY09 Q1 July-Sept	FY09 Q2 Oct-Dec	FY09 Q3 Jan-Mar	CY08 Jan-Dec
Bureau of Housing Development & Construction*	37	9	9	127
Bureau of Housing Management	101	125	83	356

*This number represents the total number of Requests for Services produced in response to local housing authorities' procurement request.

Public Housing



Key Points of Note this Quarter

- *REINVIGORATING COMMUNITIES*. In a truly historic event, DHCD celebrated the ground-breaking of the Somerville Housing Authority's (SHA's) Capen Court development, an unprecedented project that applies the mixed-finance strategy traditionally applied in private housing development to public housing. Using Bond Volume Cap and the associated Low-Income Housing Investment Tax Credits, this project leveraged state capital dollars to bring private and other government resources to revitalize public housing. This financing formula allows us to advance a \$26 Million project with a \$6.5 Million investment of public housing modernization dollars. The financial partners on this project include:

State: DHCD (both the Divisions of Public Housing & Rental Assistance and Housing Development), CEDAC, Administration & Finance, MassDevelopment, MHP, and DCAM/DCR/MassHousing

Private: Bank of America and Boston Capital/JP Morgan

Local: Somerville Housing Authority, City of Somerville, Medford Housing Authority, local residents

In addition to the precedent-setting financing and leveraging approach, the project represents an important model in how we support our lowest-income seniors. The public housing portion of the project replaces 64 units of obsolete elderly apartments with 95 units in a modern, 4-story building with an elevator (this number includes 64 replacement public housing units and 31 new permanently affordable units). All of these units will serve frail elderly. This building will be connected by a bridge to the Visiting Nurse Association Assisted Living Residence, creating a single-campus with a continuum of services and care for seniors.

Public Housing



Key Points of Note this Quarter (Continued)

TECHNOLOGY & INNOVATION. DHCD is currently piloting 3 energy-saving technologies designed by Massachusetts companies. Our goal is to match the tremendous talent in green technology in Massachusetts with the needs of our portfolio, the largest property management portfolio in New England. These partnerships offer great gains for everyone involved—housing authorities discover savings and extended life for building systems, and companies can field test their products on a large scale. A few examples of our successful partnerships to date include:

- SunMate Hot air solar panels, manufactured and installed by Environmental Solar Systems of Methuen, were installed at the Winthrop Housing Authority. This pilot is already providing a 25% savings for the units where they were installed.
- Free Watt micro-combined heat and power furnaces at the Plymouth Housing Authority, made by Climate Energy, a Medfield-based company.
- Tecogen combined heat and power (cogeneration) system at a Watertown Housing Authority high-rise elderly apartment building, as part of a comprehensive \$4 million energy and water performance contract. Tecogen is a Waltham-based company.

- Two other exciting energy saving initiatives are taking place at local housing authorities:
 - 44 housing authorities have received low flow toilet awards as part of DHCD's \$1 million water conservation initiative. Installation has already begun on the over 300 low-flow toilets included in this award.
 - Somerset Housing Authority installed a wood pellet stove in the community room of an all-electric elderly development. This new system is saving energy and improving tenant comfort. It is also increasing use of the community room, a great asset in an elderly development.

Public Housing



Key Points of Note this Quarter

- Vocational-ed students with the Center for Technical Education at Leominster High School are building a community center at a family housing development run by the Leominster Housing Authority. Students are not only learning how to build a building, they are learning to install state-of-the-art green technology. The center will also have solar panels and possibly a state-of-the-art fuel cell heating system designed and manufactured by Acumentrics, Inc. from Westwood. DHCD collaborated on a US Department of Energy grant application with Acumentrics for a fuel cell demonstration project.
- *REGIONAL PROSPERITY.* In January we began enrolling Boston Housing Authority (BHA) residents in the Career Family Opportunity (CFO) Program. The CFO Program is a partnership between the Crittenton Women's Union, DHCD and the BHA that provides intensive, wrap-around support to families, with the goal of moving them to financial independence within five years. Along with program delivery, the Crittenton Women's Union is conducting research to carefully track participants and show the relationship between short-term investment and long-term financial independence.
- DHCD organized and NSTAR hosted a "focus group" of housing authority directors aimed at correcting a long-standing disconnect between NSTAR's utility energy efficiency programs for commercial customers and the need for applicability to multifamily housing. This fix is timely, since the programs will be expanding over next few years due to Green Communities Act and we want to maximize housing authorities' abilities to use them to reduce the demand on the Commonwealth' operating budget.

Rental Assistance



Rental subsidies provide a flexible way to meet the housing needs of low income families and individuals. A housing voucher allows its recipient to find suitable housing in the private market—the government pays the portion of the rent the family/individual cannot afford. We administer these vouchers through a combination of regional non-profit housing agencies and local housing authorities.

At DHCD, we monitor housing conditions, rent obligations and leasing rates as well as provide the funding (sometimes as a conduit for federal funding, sometimes through the state budget) for the vouchers. While the vouchers for the most part allow holders to find their own housing, a portion of vouchers are “project-based,” meaning we commit the stream of voucher payments to a property owner that then designates specific units as permanently reserved for people who are eligible for the vouchers.

Rental Assistance



Public Housing By the Numbers

	FY09 Q1 July-Sept leased	FY 09 Q2 Oct-Dec leased	FY09 Q3 Jan-Mar leased	CY08 Jan-Dec
Alternative Housing Voucher Program (AHVP)	458 ¹	421 ²	399 ³	n/a
Mass Rental Voucher Program (MRVP) - Mobile	1,643 ¹	1,654 ²	1,627 ⁴	n/a
MRVP – Project-Based	2,960 ¹	2,943 ²	2,934 ⁴	n/a
Section 8 Housing Choice Voucher Program – Mobile	19,028	18,860	19,107 ⁵	18,860
Section 8 Project-Based	761	761	761	761

¹As of 9/1/08

²As of 12/1/08

³As of 3/31/09

⁴As of 3/1/09

⁵Out of 18,996 total vouchers – 100% success rate.

Rental Assistance



Key Points of Note this Quarter

REGIONAL PROSPERITY. January the Commonwealth was awarded \$543,762 to fund the Family Self-Sufficiency (FSS) program for CY 2009. This remarkable program invests in voucher recipients, allowing them to set and achieve career development objectives and thereby improve their economic position. In 2008 we saw a 10% increase in the number of new participants in the program, as compared to the goal set in the prior year. The CY 2008 FSS program saved the Commonwealth \$163,760 by eliminating or reducing participants' reliance on TAFDC.

DEPARTMENT OF CONSUMER AFFAIRS AND BUSINESS REGULATION

Sandra Clarke, Interim Undersecretary

The mission of the Massachusetts Office of Consumer Affairs and Business Regulation (OCABR) is to empower Massachusetts consumers through education and outreach and maintain a fair and competitive marketplace.

Contact Info

Ten Park Plaza,
Suite 5170
Boston, MA 02116
(617) 973-8700



Division of Insurance



Division of Insurance

YTD 12/31/08

3/31/09

YTD 3/31/09

- Resolve all new product applications within
120 days of complete submission

83%

92%

92%

Key Regulatory and Enforcement Actions:

January 1, 2009, DOI began requiring that all rate and form filings submitted to the Division be made via the System for Electronic Rate and Form Filing (SERFF). The use of Electronic Funds Transfer (EFT) to pay fees was also mandated. It now takes minutes, instead of days, for a filing to go from a filer's desk to a DOI examiner. We have also recently revised most of the Division's checklists, reducing what was once up to 35 page documents down to four pages or less; that revision included allowing the checklists to be filed and submitted on-line, without requiring the use of any paper.

On March 30, 2009, the National Association of Insurance Commissioners' Accreditation began its accreditation review of DOI. Accreditation, a certification given to a state insurance department once it has demonstrated it has met and continues to meet an assortment of legal, financial and organizational standards, is a critical component of effective solvency regulation and provides crucial safeguards for insurance consumers. Following a weeklong review, the Accreditation team is recommending that the Massachusetts Division of Insurance be reaccredited for five more years.

Division of Insurance



Key Points of Note this Quarter

On March 20, 2009, Commissioner Burnes confirmed that the Government Employees Insurance Company (GEICO) filed with the DOI to offer automobile insurance to Massachusetts customers effective May 18, 2009. The Division of Insurance is now reviewing the filing to ensure it meets the rigorous consumer protections we have implemented in the transition to managed competition, as well as the requirements of all applicable statutes, regulations and rules. This filing is the ninth new company to our market since the Patrick Administration implemented managed competition in April of 2008. It is further evidence that managed competition is bringing more choice in cost, coverage and companies to Massachusetts consumers.

Division of Banks



Division of Banks

Edit and issue completed reports of examination of financial institutions within 30 days of submission to Division.

YTD 12/31/08

64%

3/31/09

57%

YTD 3/31/09

57%

Key Regulatory and Enforcement Actions:

During the first quarter of 2009, the Division of Banks issued 17 formal or informal enforcement actions against licensed mortgage lenders and brokers and another 3 formal or informal actions against banks, credit unions, or other non-bank licensees.

On March 1st, the Division released its first schedule of examinations for compliance with the Mortgage Lender Community Investment regulations. The first six lenders will be examined in the second quarter of 2009.

Division of Banks



Key Points of Note this Quarter

On February 13th, the Division awarded \$1,000,000 in grants to 22 non-profit organizations and collaboratives. The purpose of the funding was to continue the operations of 11 regional foreclosure education centers established last year, as well as fund foreclosure counseling and first-time home buyer counseling programs throughout the Commonwealth, particularly in those areas hardest hit by foreclosures.

On March 11th, Commissioner of Banks Steven L. Antonakes testified before the Subcommittee on Financial Institutions and Consumer Credit of the U.S. House of Representatives' Committee on Financial Services. The purpose of the hearing was to evaluate mortgage lending reform and legislation designed to rein in predatory lending practices. Commissioner Antonakes testified how the states were leading the way in identifying predatory lending practices and taking action against predatory lending practices.

On March 23rd, Commissioner Antonakes testified in Boston at a field hearing of the U.S. House of Representatives' Committee on Financial Services on credit availability for small and medium-sized businesses. Commissioner Antonakes testified that local community banks and credit unions in Massachusetts had, in fact, despite the media reports, increased their small business and commercial real estate portfolios. Commissioner Antonakes also testified on the innovative efforts in Massachusetts to support small businesses.

Division of Standards



Division of Standards

Resolve all consumer complaints within 5 days of receipt.

YTD 12/31/08

89%

3/31/09

79%

YTD 3/31/09

79%

Key Regulatory and Enforcement Actions:

During the first quarter, the Division of Standards surveyed three major chain stores for item pricing compliance. Two chain stores B J's and Price Chopper were found to be engaged in ongoing non-compliance and our findings were forwarded to the Attorney General's Office as required by statute.

Key Points of Note this Quarter:

The Division of Standards trained 65 corporate and high level store personnel in two sessions on item pricing and unit pricing requirements. In addition, the Division trained 80 local weights and measures inspectors at the Interim meeting on Vehicle Tank Meters, Price Verification and arranged for ethics training which was presented at the conference by a member from the Ethics Commission.

Division of Professional Licensure



Division of Professional Licensure

Conduct inspections of all locations applying for new business licenses within 10 days of receipt of the complete application.

YTD 3/31/09

97%

Conduct inspections at 4500 licensed businesses each year.

44%

Key Regulatory and Enforcement Actions:

During the quarter, the Division of Professional Licensure secured two guilty pleas for unlicensed practice by a local fireman who in one case was wrongly using the electrician's license of a state trooper. The Division also completed the regulatory process for fee increases for license fees charged by certain state licensing boards.

Key Points of Note this Quarter:

The Division of Professional Licensure (DPL) arranged a public-private joint venture in which DPL and Miniluxe will visit inner city schools. DPL provides licensing information to Cosmetology students and Miniluxe provides job interview tips and licensing exam fee scholarships. First visit was to Madison Park High School.

State Racing Commission



State Racing Commission

Hear all appeals for ejection notices within 10 business days of receiving an appeal.

YTD 12/31/08

100%

3/31/09

100%

YTD 3/31/09

100%

Hold all other hearings within 20 days of receiving an appeal.

100%

100%

100%

Key Points of Note this Quarter:

The State Racing Commission is in the process of promulgating changes to 205 CMR 3.00 Rules of Harness Racing and 205 CMR 4.00 Rules of Horse Racing. The changes further implement ARCI Model Rules with regard to Anabolic Steroids, Non-Steroidal Anti Inflammatory Drugs and Riding Crops (formerly whips).

Governor Patrick's Article 87 initiative realigning the Commission as a board under the Division of Professional Licensure passed the Legislature. The effective date is 1/1/2010.

Department of Telecommunications and Cable



Department of Communications & Cable	YTD 12/31/08	3/31/09	YTD 3/31/09
Respond to consumer slamming complaints within ten (10) calendar days of receipt of filing.	98%	100%	100%

Key Regulatory and Enforcement Actions:

The Department investigated 815 consumer complaints resulting in refunds of \$21,804 to Telecommunications and Cable consumers and 1306 complaints resulting in \$39,414 refunds to electric, gas and water consumers. The Department also handled 1360 consumer inquiries and 3270 consumer referrals to utilities. The Department also resolved a regulatory case regarding access to conduit (pole attachments)

Key Points of Note this Quarter:

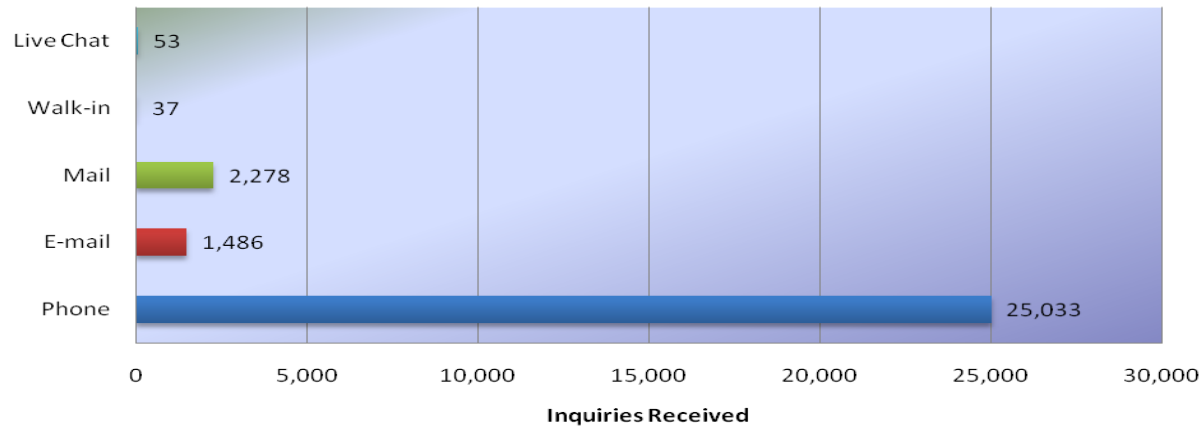
On February 9, 2009, the Department issued a request for comment regarding the MDTC's proposal to open a Service Quality Investigation of Verizon's Basic Telephone Service in Western MA.

On March 23, 2009 the Department, jointly with the Department of Public Utilities Issued a request for information to seek to qualify facilitators to assist in developing, reviewing, identifying and implementing plans, policies, rules and regulations relating to "make-ready" procedures as they pertain to utility pole, duct, or conduit attachments.

Consumer Hot Line Services



Office of Consumer Affairs & Business Regulations and its Affiliated Agencies Report Card January - March 2009



OCA Consumer Dispute Resolution Services



OCA has established goals for the time it takes to process Home Improvement and Lemon Law claims and will measure what percentage is completed within the goal.

Home Improvement

Schedule all hearings within 90 days of acceptance of the application.

YTD 12/31/08

94%

3/31/09

90%

YTD 3/31/09

90%

Lemon Law

Schedule all arbitration hearings within 35 days of acceptance of application.

YTD 12/31/08

99%

3/31/09

100%

YTD 3/31/09

100%

Office of Consumer Affairs



Key Regulatory and Enforcement Actions:

The Office of Consumer Affairs extended the effective date of the final data security regulations from May 1, 2009 to January 1, 2010 . These comprehensive regulations establish standards for how businesses protect and store consumers' personal information. Chapter 82 of the Acts of 2007 “An Act Relative to Security Freezes and Notification of Data Breaches” was enacted to protect consumers from identity theft.

Outreach and Education



Bi-Monthly Consumer Newsletter

Each quarter, increase the electronic distribution of the bi-monthly consumer newsletter:

The issue published in February, 2009 was distributed electronically to 2,052 subscribers. This represents a 78% increase compared to the first publication in June 2007.

Outreach Events

At least three events each quarter, including at least one event outside of Route 128 (*):

January 23, 2009	Data Protection Education & Outreach, Marlborough Chamber of Commerce *
January 27, 2009	Data Protection Education & Outreach, AIM, Taunton *
February 3, 2009	Data Protection Education & Outreach, Marlborough Chamber of Commerce *
February 4, 2009	Data Protection Education & Outreach, AIM, Waltham
February 12, 2009	Data Protection Education & Outreach, AIM, Andover *
February 24, 2009	Data Protection Education & Outreach Cape Cod Chamber of Commerce, Hyannis *
February 26, 2009	Data Protection Education & Outreach, North Central Massachusetts CC, Fitchburg*
February 27, 2009	Mass Banker's Forum on Foreclosure, Marlborough, MA *
March 5, 2009:	National Consumer Protection Week Event, Boston (South Station)
March 7, 2009:	Treasurer Cahill's Money Conference, Framingham *
March 11, 2009	Data Protection Education & Outreach, Gardner Chamber of Commerce *
March 17, 2009	Data Protection Education & Outreach, MCLE Panel, Boston
March 24, 2009	Data Protection Education & Outreach, Cambridge Chamber of Commerce